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APR - 2 1994

Federal Communications Comm

WASHINGTON, D.C.

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In the Matter of)		
Revision of Part 22 and Part 90 of the Commission's Rules to Facilitate Future Development of Paging Systems)))	WT Docket No. 96-18	
Implementation of Section 309(j) of the Communications Act Competitive Bidding)	PP Docket No. 93-253	APR - 2 1996

To: The Commission

REPLY COMMENTS OF AAT RADIOTELEPHONE COMPANY

AAT Radiotelephone Company ("AAT"), by its attorneys, hereby submits its reply comments in response to the Notice of Proposed Rulemaking ("NPRM") released on February 9, 1996. In particular, AAT is buttressing those commenters supporting the ability of auction winners to partition service areas. *See, e.g.*, Comments of the Personal Communications Industry Association on Geographic Licensing and Competitive Bidding Proposals at 18; Comments of ProNet Inc.on Geographic Licensing and Competitive Bidding at 8-9.

1. AAT is a radiopaging company operating in the New York City and Albany, New York metropolitan areas and surrounding communities on the frequency 454.075 MHz. AAT, which qualifies as a small business and was one of the early pioneering companies in radiopaging, currently provides service to customers using approximately 20 base station facilities. AAT's long term business plan calls for it to continue to expand its footprint by

adding base station facilities to unserved areas adjacent to its system. For this reason, AAT has a keen interest in the upcoming auction of paging spectrum.

- 2. AAT, like most other small paging company incumbents, has a service footprint that does not coincide with FCC service area definitions. Although, AAT's footprint covers a significant portion of a service area, other significant portions of the same service area are covered by other paging companies. This would be true whether the service area definitions are based on MTAs, BTAs, EAs, or MSA and RSAs. Therefore, in order to bid on the areas that AAT would need so that it can expand its footprint, AAT would be bidding on the proverbial round peg that must fit in a square hole.
- 3. Fortunately, in the NPRM, the Commission sought comment on whether the option of partitioning service areas normally afforded to rural telephone companies should be expanded to other designated entities or to all paging licensees in general. NPRM at para. 138. AAT supports rules that would give all paging licensees the ability to partition service areas. That way, if multiple incumbents are operating in the same service area, they could either:

 (i) agree in advance to bid on the service area together and divide it accordingly after the auction; or (ii) after the auction, the winning bidder could sell portions of the service area to the other incumbents. This process would allow market place forces to work to enable each incumbent to obtain area adjacent to its current service area for expansion purposes.

Conclusion

In view of the foregoing, AAT Radiotelephone Company asks the Commission to adopt rules that would provide all paging licensees the ability to partition service areas.

Respectfully submitted,

AAT RADIOTELEPHONE COMPANY

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April 2, 1996

CERTIFICATE OF SERVICE

I, Penny Jackson, do hereby certify that I have this 2nd day of April, 1996, mailed by first-class United States mail, postage prepaid, copies of the foregoing "REPLY COMMENTS OF AAT RADIOTELEPHONE COMPANY" to the following:

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